

DD/A. Registry
85 2092

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

H.R. 873

STAT

STAT

FROM:

Liaison Division
Office of Legislative Liaison

EXTENSION

NO.

DATE

12 June 1985

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

D/OP

2.

DD/EB&S/OP

3.

DD/PA&E/OP

4.

Chief, Retirement Div/OP

5.

Retirement Division
Attn: C/ROB

6.

DDA

7D/8 HQS

7.

D/OLL

8.

C/LEG

9.

Subject

10.

11.

12.

13.

14.

15.

Re: HR 873 (Attached)

Passed by Congress; on President's desk for signature. Of interest to Agency is section that restores health and life insurance privileges to disability annuitants.

STAT

STAT

STAT

100 - 13

FORM
1-79

610

USE PREVIOUS
EDITIONS

GPO : 1983 O - 411-632

OAKAR129

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 873
OFFERED BY MS. OAKAR

Strike out all after the enacting clause and insert in
lieu thereof the following:

1 SECTION 1. AUTHORITY FOR ADDITIONAL EMPLOYEE ORGANIZATION
2 PLANS.

3 (a) DEFINITION OF AN EMPLOYEE ORGANIZATION.--Section
4 8901(8) of title 5, United States Code, is amended to read as
5 follows:

6 `` (8) `employee organization' means--

7 `` (A) an association or other organization of
8 employees which is national in scope, or in which
9 membership is open to all employees of a Government
10 agency who are eligible to enroll in a health
11 benefits plan under this chapter and which, after
12 December 31, 1978, and before January 1, 1980,
13 applied to the Office for approval of a plan provided
14 under section 8903(3) of this title; and

15 `` (B) an association or other organization which
16 is national in scope, in which membership is open
17 only to employees, annuitants, or former spouses, or
18 any combination thereof, and which, during the 90-day
19 period beginning on the date of enactment of section

OAKAR129

2

1 8903a of this title, applied to the Office for
2 approval of a plan provided under such section;''.

3 (b) AUTHORITY FOR ADDITIONAL PLANS.--

4 (1) Title 5, United States Code, is amended by
5 inserting after section 8903 the following:

6 ``§8903a. Additional health benefits plans

7 `` (a) In addition to any plan under section 8903 of this
8 title, the Office of Personnel Management may contract for or
9 approve one or more health benefits plans under this section.

10 `` (b) A plan under this section may not be contracted for
11 or approved unless it--

12 `` (1) is sponsored or underwritten, and administered,
13 in whole or substantial part, by an employee organization
14 described in section 8901(8)(B) of this title;

15 `` (2) offers benefits of the types named by paragraph
16 (1) or (2) of section 8904 of this title or both;

17 `` (3) provides for benefits only by paying for, or
18 providing reimbursement for, the cost of such benefits
19 (as provided for under paragraph (1) or (2) of section
20 8903 of this title) or a combination thereof; and

21 `` (4) is available only to individuals who, at the
22 time of enrollment, are full members of the organization
23 and to members of their families.

24 `` (c) A contract for a plan approved under this section
25 shall require the carrier--

1 ``(1) to enter into an agreement approved by the
2 Office with an underwriting subcontractor licensed to
3 issue group health insurance in all the States and the
4 District of Columbia; or

5 ``(2) to demonstrate ability to meet reasonable
6 minimum financial standards prescribed by the Office.

7 ``(d) For the purpose of this section, an individual
8 shall be considered a full member of an organization if such
9 individual is eligible to exercise all rights and privileges
10 incident to full membership in such organization (determined
11 without regard to the right to hold elected office).``.

12 (2) The analysis for chapter 89 of title 5, United
13 States Code, is amended by inserting after the item
14 relating to section 8903 the following:

 ``8903a. Additional health benefits plans.``.

15 SEC. 2. TECHNICAL AND CONFORMING AMENDMENTS.

16 (a) Sections 8902(a), 8902(e), 8902(i), 8905(a),
17 8905(c)(1), 8905(f), 8908(b), and 8913(b) of title 5, United
18 States Code, are each amended by striking out ``8903 of this
19 title`` and inserting in lieu thereof ``8903 or 8903a of this
20 title``.

21 (b) Section 8903(3) of title 5, United States Code, is
22 amended by striking out ``employee organizations,`` and
23 inserting in lieu thereof ``employee organizations described
24 in section 8901(8)(A) of this title,``.

1 (c) Section 8905(f) of title 5, United States Code, is
2 further amended by striking out ``plan described by that
3 section`` and inserting in lieu thereof ``such plan``.

4 (d) Section 8907(a) of title 5, United States Code, is
5 amended by striking out ``section 8903`` and inserting in
6 lieu thereof ``sections 8903 and 8903a``.

7 (e) Section 8909(d) of title 5, United States Code, is
8 amended--

9 (1) by inserting ``or 8903a`` before ``of this
10 title``; and

11 (2) by adding at the end thereof the following: ``If
12 the successor organization is an organization described
13 in section 8901(8)(B) of this title, any employee,
14 annuitant, or former spouse so transferred may not remain
15 enrolled in the plan after the end of the contract term
16 in which the merger occurs unless that individual is a
17 full member of such organization (as determined under
18 section 8903a(d) of this title).``.

19 (f) Section 8909(e) of title 5, United States Code, is
20 amended by inserting ``or 8903a`` before ``of this title``.

21 (g) Section 1840(d)(1) of the Social Security Act is
22 amended by inserting ``or 8903a`` after 8903.

23 SEC. 3. INSURANCE COVERAGE FOR RESTORED DISABILITY

24 ANNUITANTS.

25 (a) HEALTH INSURANCE.--

1 (1) Section 8908 of title 5, United States Code, is
2 amended by adding at the end thereof the following:

3 ``(c) A disability annuitant whose disability annuity
4 under section 8337 of this title was terminated and is later
5 restored under the second or third sentence of subsection (e)
6 of such section may, under regulations prescribed by the
7 Office, enroll in a health benefits plan described by section
8 8903 or 8903a of this title if such annuitant was covered by
9 any such plan immediately before such annuity was
10 terminated.''.
11

12 (2)(A) The section heading for section 8908 of title
13 5, United States Code, is amended to read as follows:

14 ``§8908. Coverage of restored employees and survivor or
15 disability annuitants''.

16 (B) The analysis for chapter 89 of title 5, United
17 States Code, is amended by striking out the item relating
18 to section 8908 and inserting in lieu thereof the
19 following:

20 ``8908. Coverage of restored employees and survivor or
21 disability annuitants.''.
22

23 (b) LIFE INSURANCE.--Section 8706 of title 5, United
24 States Code, is amended by adding at the end thereof the
25 following:

26 ``(f) If the insurance of a former employee receiving a
27 disability annuity under section 8337 of this title stops
28

1 because of the termination of such annuity, and such annuity
2 is thereafter restored under the second or third sentence of
3 subsection (e) of such section, such former employee may,
4 under regulations prescribed by the Office, elect to resume
5 the insurance coverage which was so stopped.''.
6

6 (c) APPLICABILITY; NOTIFICATION REQUIREMENT;
7 CONSTRUCTION.--

8 (1) The amendments made by this section shall apply
9 with respect to any individual whose disability annuity
10 is or was restored under section 8337(e) of title 5,
11 United States Code, after December 31, 1983.

12 (2)(A) The Office of Personnel Management shall
13 notify each individual under subparagraph (B) of any
14 rights which such individual may have under section
15 8706(f) or section 8908(c) of title 5, United States
16 Code, as amended by this section, including any
17 procedures or deadlines which may apply with respect to
18 the exercise of those rights.

19 (B) Notification under this paragraph shall be
20 provided to any individual who, as of the 90th day after
21 the date of enactment of this Act, is receiving a
22 disability annuity which was restored to such individual
23 under section 8337(e) of title 5, United States Code,
24 after December 31, 1983.

25 (3)(A) Nothing in this section shall be construed to

1 authorize--

2 (i) coverage under chapter 87 of title 5, United
3 States Code, in the case of any individual who makes
4 an election under section 8706(f) of such title (as
5 amended by this Act), for any period before the date
6 of such election; or

7 (ii) coverage under chapter 89 of title 5, United
8 States Code, in the case of any individual who
9 becomes enrolled in a health benefits plan under
10 section 8908(c) of such title (as amended by this
11 Act), for any period before the date as of which such
12 individual becomes so enrolled.

13 (B) This paragraph applies with respect to any
14 individual receiving a disability annuity which is or was
15 restored under section 8337(e) of title 5, United States
16 Code, after December 31, 1983, and before the expiration
17 of the 90-day period beginning on the date of enactment
18 of this Act.

Amend the title so as to read: ``A bill to amend title 5,
United States Code, to provide that employee organizations
which are not eligible to participate in the Federal
employees health benefits program solely because of the
requirement that applications for approval be filed before
January 1, 1980, may apply to become so eligible, and for

AKAR129

8

other purposes.''. .